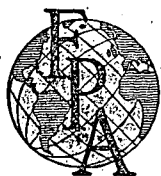


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FOREIGN POLICY BULLETIN

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CONFLICTS AMONG VICTORS CONTINUE TO DELAY PEACE SETTLEMENT

IT is now widely recognized that the principal task of the Foreign Ministers of the United States, Britain, Russia and France in the negotiations that opened in Paris on April 25 is to find a basis for workable relations between the Western powers and the U.S.S.R. rather than to determine peace conditions for the Axis countries and their satellites. This task must be accomplished during a period of history when all nations—not Russia alone—are in the midst of a painful transition from national to international concepts of security. The national concept emphasizes outright control of strategic bases, sources of raw materials, and other attributes of sovereignty, while international organization for collective security presupposes joint action with respect to military preparations for defense, access to raw materials, and alleviation of economic and social maladjustments susceptible of leading to armed conflict between nations. In an effort to find a workable alternative to the current emphasis on national security, Secretary of State Byrnes proposed on April 29 that Russia, Britain, France and the United States sign a 25-year treaty to keep Germany disarmed. Whether this proposal will be regarded by the other Allies as an adequate guarantee against German resurgence remains to be seen, but Mr. Byrnes' suggestion marks an important departure from traditional American diplomacy.

That profound differences exist between the theories and practice of capitalism and communism is obvious to all. But is it possible to assert that divergences in foreign policy between the Western powers and Russia are traceable solely to this antithesis, or do all nations, irrespective of their internal systems, have certain comparable aspirations which might be reconciled by mutual adjustment?

The United States and Britain have been inclined,

since V-E Day, to take the view that Russia, abandoning the Communist internationalism which once aroused such suspicion and alarm abroad, has reverted to old-fashioned imperialism (apparently no less alarming than its previous course) by demanding control over the Dardanelles, special rights and privileges in northern Iran and northern Manchuria, a trusteeship over the former Italian colony of Tripolitania and, in general, equality with the Western powers in decisions on problems all over the world. Such imperialism, while admittedly exercised in the past by other great powers which even today retain the fruits of their conquests and acquisitions, has, according to Washington and London, been made obsolete by the invention of modern weapons, notably the atomic bomb, whose secret process of manufacture is still being carefully guarded by the United States, Britain and Canada.

ARE BASES OBSOLETE? Starting from the premise that we have now entered a new world, Secretary of State Byrnes at the London Conference of Foreign Ministers presented a State Department plan for the creation of a United Nations trusteeship over Italy's colonies in Africa. This project met with lukewarm reception in Britain which, recalling the hard struggle of British and Dominion troops against the Axis forces in Africa, would prefer a larger share in the administration of Italy's colonies, strategically situated along Britain's Mediterranean life line. Nor did it win support in France, which is in favor of having the United Nations grant Italy a trusteeship over these colonies. The American project, however, which is reported to have been submitted again in Paris, has the great merit of seeking to apply the principles of the United Nations Charter to territory taken from an enemy coun-

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try, and thus prevent a nationalist scramble for the spoils of war. If the American proposal should be accepted, would it not seem logical to make a similar arrangement for the former Japanese islands in the Pacific which, like Italy's colonies, are important primarily for strategic reasons?

Australia and New Zealand, who favor regional arrangements for security rather than sole ownership of former Japanese islands by the United States, have already raised this question at the British Dominions conference now sitting in London. Washington itself had recognized the international principle in its request of October 1945 for Iceland bases which, it stated, would be used on behalf of the Security Council of the United Nations—although even on these terms the government of Iceland decided to decline our request after criticism of it had been expressed in Moscow. Hitherto, however, because of strong Army and Navy opposition to State Department views on trusteeship of territories taken from enemy states, the Administration has limited expressions of policy on the crucial issue of the Pacific islands to vague and ambiguous press conference statements.

No layman, and probably no responsible military expert, can yet contend with assurance that the atomic bomb has rendered all strategic bases obsolete. But if it has, obsolescence would have to be considered not only in the case of Russia, but also in the case of other great powers which already

possess such bases, or seek to acquire new ones. Otherwise the impression will develop that the United Nations organization, to quote the phrase of the Italian representative at Geneva during the Ethiopian war, uses "two weights and two measures." Nor should the issue of capitalism versus communism be allowed to confuse consideration of this problem. It is clear that, for example, in the case of Spain, the Western powers are engaged in a struggle with Russia for influence over that country. This struggle, however, is only partly over the question whether Spain remains under the dictatorship of Franco, restores monarchy, sets up a liberal democratic régime, or accepts the Communist system. The importance of Spain is due primarily to its position at the Straits of Gibraltar whose strategic significance, from the point of view of the United States and Britain, appears not to have been materially altered by the atomic bomb.

It might be fair to ask whether the Western powers would have a better chance to obtain, and retain, a foothold in Spain if they actively supported the cause of the Spanish Republicans instead of continuing to hesitate over intervention against Franco. This question is inextricably linked with the problems of political and economic reconstruction of Europe, which will be discussed in another article.

VERA MICHELES DEAN

(The second in a series of articles on the peace negotiations in Paris.)

CONSTITUTION FOR FOURTH REPUBLIC MAKES ASSEMBLY SUPREME

For the fourteenth time since the Revolution of 1789 France has under consideration a new constitution, which it is to accept or reject by referendum on May 5. Since the special committee of the Constituent Assembly which framed the new law worked behind closed doors, there was no official indication of the form the constitutional draft would take until the text was laid before the Assembly on April 9. However, General de Gaulle's resignation as President on January 21, on the ground that the Socialist and Communist parties had joined in proposing a strong parliament at the expense of the executive, had indicated that the proposed constitution would vest supreme authority in a single-house National Assembly.

According to the draft text "the National Assembly alone has the right to legislate," and it is also empowered to elect the President of the Republic and the Premier. The supremacy of the Assembly is further assured by the assignment of essentially honorary functions to the President and the confinement of the Premier's powers to the execution of the laws. In an effort to avoid the kind of governmental instability that created so many difficulties before World War II, the constitution

provides that the Assembly can be dissolved during the first half of its five-year term only by a resolution voted by a two-thirds majority of the Deputies. During the second half of the life of the Assembly dissolution may be pronounced by Presidential decree, following a decision to this effect by the cabinet, provided two ministerial crises have occurred during the same annual session.

CONSTITUTION MEETS OPPOSITION. If the vote taken on the constitutional draft in the Constituent Assembly on April 19 is any indication of what the national reaction will be, the constitution will be adopted by a narrow majority. In the Assembly the vote was divided 309 to 249, with the Popular Republican Movement (MRP), one of the three strongest parties, opposing the constitution, while the Communists and Socialists approved it. The split that the constitutional issue has brought about in the coalition government formed by these three groups reveals the gulf which separates the MRP and the Communists and indicates that the Socialists, after attempting to play the role of conciliator, have aligned themselves with the Communists on this critical issue.

One question which is being heatedly discussed

in connection with the constitution is whether it will offer adequate protection to democratic rights. According to the Communists and Socialists, the constitution is well designed to safeguard democracy because, by assigning supreme power to the popularly elected Assembly, it insures effective expression of the will of the majority. The Leftist parties also point to certain specific "Rights of Man" which are set forth in the preface to the constitution to demonstrate the democratic character of the document. A number of these rights, such as those concerning rest and leisure, education, and "the duty to work and the right to obtain employment," are identical with those found in the Soviet Constitution of 1936, while others, such as those referred to in the statement that "all men are born and remain free and equal before the law" are reminiscent of the Declaration of Independence.

In reply to the contention of the Communists and Socialists that the constitution is democratic, MRP leaders insist that democracy rests less on the unrestricted will of the majority than on the protection of fundamental rights of the minority. These rights, the MRP declares, cannot be assured as long as the majority is represented in a single legislative body enjoying supreme power, particularly in view of the constitutional provision that when "the Republic is proclaimed in danger," rights to freedom of speech and movement, secrecy of correspondence and right of assembly can be suspended, subject only to nominal rights of legal redress.

A major argument advanced by the Socialists in behalf of the constitution is that the document, even though imperfect, should be adopted in order to end the period of provisional government that France has had since liberation from Nazi rule. This argument will undoubtedly carry much weight

since the interim government has failed to establish confidence in its ability to solve the present economic crisis. Although the MRP recognizes the strength of this argument, it replies that unsatisfactory provisional arrangements are preferable to the acceptance of a régime that will, in its opinion, lead to dictatorship.

REALITIES BEHIND THE DEBATE. As is usually the case in discussions of constitutional issues, much of the debate has been taking place in a legalistic stratosphere far removed from such prosaic realities as the economic interests and desire for political power of the various contestants. In reality the disagreement between the MRP, on the one hand, and the Communists and Socialists, on the other, mirrors a struggle between divergent points of view toward nearly every aspect of French economic and political life. The MRP tends to represent the middle classes which have held power in France more or less uninterruptedly since 1870. Although a large part of this group recognizes the need for far-reaching social changes, it nevertheless wishes to carry out these changes gradually and without sacrificing traditional individual rights. By contrast, the Communists and Socialists, however much they may differ with each other as to tactics and ultimate goals, stand for working-class supremacy, and believe that, as a result of the desperate economic conditions prevailing in France, they will win a majority in the next general elections. Under these circumstances the Leftist parties favor an Assembly which will enjoy supreme power and enable them to carry out their proposed reforms without the restraining influences of a second chamber or a powerful executive. Perhaps the strongest argument the Left can advance in behalf of a sovereign Assembly is that a nation which needs to proceed swiftly with the enormous tasks of reconstruction cannot afford a system of checks and balances similar to that which operates in the United States.

WINIFRED N. HADSEL

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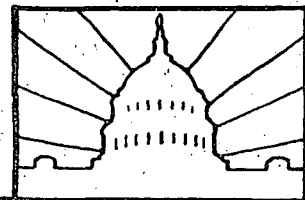
An effort to find a solution to the problem of minorities in the great borderland between Russia and Central Europe by applying the principle of "national federalism," rather than that of homogenous national states.

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Washington News Letter



POLITICAL AIMS ABROAD INFLUENCE U.S. FOREIGN LENDING PROGRAM

One of the most striking features of the Senate debate on the proposed British loan, which began on April 16, is the extent to which a growing number of public men believe that, in granting credit to other countries, we help ourselves. In his speech on April 22 giving unexpected support to the loan, Senator Arthur Vandenberg, Republican of Michigan, emphasized that the loan was in our "self-interest" because without it the world would remain divided into economic blocs which deny American exporters and importers world-wide access to markets and raw materials. While the program of lending will certainly facilitate trade between countries, our goal of binding the world together economically may require the United States to implement lending with extensive programs of direct internal assistance to individual countries.

ECONOMIC ADVANTAGES OF LOANS.

Loans, taken by themselves, can be of obvious immediate benefit to the economy of the United States. Should Congress approve the British loan, the United Kingdom is committed, within a year after the credit becomes available, to abolish the dollar pool of the sterling area on current transactions. This pool makes the sterling area almost inaccessible to American trade. The elimination of the pool, moreover, would enable many nations to buy from the United States goods which they now must seek elsewhere, because their membership in the sterling area requires them to trade with one another.

The countries participating in the sterling area are—in addition to the United Kingdom—the British Commonwealth countries (except Canada and Newfoundland); India; British possessions and mandates in North and South America, Africa and Asia; Transjordan (which has been offered its independence); and three independent states, Iraq, Egypt and Iceland. These countries agreed during World War II to pool their dollars in Britain rather than use them to buy from the United States. The British indebtedness in pounds to the other countries in the area equals \$13,000,000,000. Britain is not in a position to permit unlimited conversion of these blocked balances into dollars, and must indeed take steps to scale down these debts. The loan, however, will permit free use of dollar balances arising out of future transactions.

The two credits for \$40,000,000 and \$50,000,000 to Poland, which the State Department announced on April 24, also redound immediately to this country's economic advantage. The \$50,000,000 is to be used for the purchase of American war surpluses

overseas, and the \$40,000,000 for the purchase of locomotives and coal-cars in the United States. Moreover, in accepting the credits, the Polish government undertakes to favor "the elimination of all forms of discriminatory treatment in international commerce and the reduction of tariffs and other trade barriers." The objective of the United States is thus to encourage Poland to subscribe to the program of freer, multilateral trade which the forthcoming International Trade Conference is expected to work out. Recently, Poland has negotiated with the Soviet Union and other countries bilateral-trade agreements whose provisions have not yet been officially made known to the United States.

BROADER PROGRAM NEEDED. Whether loans to Britain and Poland will help United States trade over a long-term period is not clear. Neither country will be able to adopt a fully multilateral trade policy unless its domestic economy is put on a sound basis. The nations on the continent of Europe need materials, technical assistance and capital for the restoration of their transport systems and manufacturing industries. The program of relatively free trade which the United States is proposing for the world has a limited appeal for nations now faced with desperate economic conditions. This country itself has recently shown that domestic uncertainty often governs foreign commercial policy. For example, the Department of Commerce on March 19 placed restrictions on the export of some steel products necessary for the construction of houses. While the world would head for disaster if all countries tried to solve their internal economic difficulties by national or regional trade autarchy, these problems cannot be solved without the aid of countries whose economic conditions are relatively favorable.

United States foreign economic policy will not achieve its goals until the Administration decides whether the lending program is primarily a political or an economic instrument. "In the view of this government . . . economic freedom and political freedom are interdependent," the State Department declared when it announced that, as part of its obligation under the \$40,000,000 railway rolling-stock credit, Poland had agreed to hold free elections. This statement, while basically true, makes it difficult for American citizens to understand that the United States has a "self-interest" in the improvement of trade, irrespective of political considerations. Uncertainty about the nature of the government's lending program weakens the popular support it might otherwise obtain here.

BLAIR BOLLES